

**WOODS CROSS CITY COUNCIL MEETING
DECEMBER 15, 2009**

The minutes of the Woods Cross City Council Meeting held December 15, 2009 at 6:30 P.M. in the Woods Cross City Hall located at 1555 South 800 West, Woods Cross, Utah.

CONDUCTING:

Mayor Kent Parry

COUNCIL MEMBERS PRESENT:

Kent Parry, Mayor
Rick Earnshaw
Tamra Dayley

John Hadlow
David C. Hill
Jill Evans

STAFF PRESENT:

Alan Low, City Recorder
Gary Uresk, City Administrator
Tim Stephens, Community Development Director
Marc Evans, Parks Superintendent
Scott Anderson, Public Works Superintendent

VISITORS:

Ryan Westergard
Don Schrader
J. Michael Redd
Mark Peterson
Pat Blackley
Roger Barrus

Jeff Davis
Al Jewell
Abbie Lindhardt
Gordon Curl
LeGrande Blackley
Marc Evans

Roger Richins
Brian Gibbs
Tom Lindhardt
Melinda Williams
Taylor Rowland
Mark Vasic

INVOCATION:

Jon Hadlow

PLEDGE OF ALLEGIANCE:

Tamra Dayley

The Mayor welcomed those in attendance and stated this is a regularly scheduled meeting that notice of time, place and agenda was sent to local newspapers and provided to each of the City Council members prior to the meeting.

APPROVAL OF MINUTES

The City Council reviewed the minutes of the City Council meeting held December 1, 2009. After the review, Council Member Evans motioned the minutes be approved as written with Council Member Earnshaw seconding the motion and all voted for the motion through a roll call vote.

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APPROVAL OF FINANCIAL REPORT

The floor was given to the City Recorder who reviewed with the City Council the City's Financial Report for the period ending November 30, 2009. The Council reviewed the City's cash position, sales and use tax report, the transient room tax report, report of the impact fees collected for the South Davis Metro Fire Agency and executive summary of the City's funds comparing revenues and expenditures to the budget.

After the Council's review, Council Member Earnshaw made a motion to approve the City's Financial Report as presented with Council Member Hadlow seconding the motion and all voted for the motion through a roll call vote.

APPROVAL OF CASH DISBURSEMENTS

The floor was given to the City Recorder who reviewed the Cash Disbursements listing for tonight's meeting with the City Council. After the Council's review, Council Member Evans made a motion to approve the Cash Disbursements listing as presented with Council Member Earnshaw seconding the motion and all voted for the motion through a roll call vote.

OPEN SESSION (BRIEF ITEMS)

The Mayor then opened the meeting to items from those present they would like to bring before the City Council that would take less than two or three minutes.

The Mayor gave the floor to City resident Mr. Taylor Rowland. Mr. Rowland noted he had talked with the City Administrator as well as the Mayor concerning three cats which are kept by his family and the issue of neighbors in his neighborhood trapping his pets and turning them over to animal control. He then proceeded to advise the Mayor and the Council he had talked to the County Commission concerning their animal control services and how he felt about having to pay the impound fee. He said he was to be contacted with a response from the County Commission but had not heard from them.

The Mayor said he would be at a meeting tomorrow with the County Commissioner and he would follow up with them and encourage them to respond to Mr. Rowland's complaints.

Mr. Rowland then went on to explain to the Council how his cats are beneficial to the neighborhood in the controlling of rodents in the area.

He thanked the Council for listening to his concerns and said he would look forward to the Mayor and his discussion the County Commissioner in receiving a response.

The floor was then given to Council Member Hill who said how much he appreciated the City Staff in being willing to continue to serve the community with no salary increase for the fiscal year 2010 as well as they have taken on the duties of cleaning the City Hall so the City would not

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have to pay an outside janitorial service. He said he felt like the City Council should show their support for the budget problems of the City by reducing their compensation they receive as City Council Members and the Mayor. He asked the Council to give it some thought and discuss it at a future meeting.

Council Member Evans said she concurred with Council Member Hill and felt the Council should give consideration to decreasing their compensation.

There were no other items for the brief open session.

UPDATE ON SILVER EAGLE REFINERY

The Mayor gave the floor to the City Administrator who introduced the following:

“The Mayor, Council Member Hill, the Community Development Director, the City Attorney and I met with Mike Redd, Dave McSwain and Greg Simonsen from Silver Eagle on December 11th. It was a very productive meeting and Silver Eagle has made the commitment to work to ensure the safety of our residents. They have hired Mike Reed as the Vice President of refinery and operations. Mike is highly qualified and has a desire to make the necessary safety improvements at the refinery. He is present at the Council Meeting to introduce himself and outline what he hopes to accomplish in the future.”

Following the City Administrator’s introduction the floor was given to Mr. Mike Redd, Vice President of operations for Silver Eagle Refinery. Mr. Redd then introduced himself and reviewed with the City Council his background as a consulting chemical engineer. He went on to advise the Council he had hired a consulting firm called ABS from Houston, Texas to analyze the plant and review the structure to determine its needs for maintenance and upgrading and to make it safe to process within the City limits of Woods Cross.

He said in addition, the consulting firm will be analyzing the incident that occurred on November 4th and provide answers to Silver Eagle as to what caused the incident and how it can be prevented in the future. They will be able to tell Silver Eagle about the integrity of their plant and just what happened that caused the November 4th explosion.

The representative from ABS Consultants, Mr. Brian Gibb, then introduced himself to the City Council and briefly reviewed his consulting firm and his background and credentials.

The Mayor and the City Council thanked Mr. Redd and Mr. Gibb for coming before them and discussing the information and the floor was then given to State Representative Roger Barrus who has been recently working with the refineries located in Davis County and their operators to insure that safety can be a prime factor in the operation of their facilities. Mr. Barrus took the floor and discussed the meetings that he has had and the success of the meetings as well as what is planned for the future. He said the next meeting of the operators of the five refineries would

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be in January of 2010 and then at future meetings the Mayors from the communities would be invited to attend.

The Mayor and the Council thanked Mr. Barrus for his report.

PRESENTATION OF THE FISCAL YEAR 2009 FINANCIAL AUDIT

The Mayor gave the floor to Mr. Roger Richins and Mr. Jeff Davis, Certified Public Accountants from the firm of Pinnock, Robbins, Posey, and Richins. They in turn gave to the Council the bound copy of the financial audit for the Fiscal Year 2009 for the City of Woods Cross.

They then reviewed with the City Council the audit report noting they were able to give an unqualified opinion of the financial statements of the City.

They pointed out to the Council various opinions that are expressed within the audit that are favorable to the City of Woods Cross. They noted certain footnotes that were important for the Council to review and went over some of the financial information contained in the audit.

Finding all in order, the floor was given to Council Member Dayley who motioned the Council approve the financial audit for the Fiscal Year 2009 as presented by the certified public accounting firm of Pinnock, Robbins, Posey and Richins. Council Member Evans seconded the motion and all voted for the motion through a roll call vote.

The Mayor and Council thanked Mr. Davis and Mr. Richins for their presentation.

The floor was then given to the City Administrator who pointed out the following information from the audit to the Council as it concerns the water utility fund.

“One area of concern I have with the audit is on page 23. If you look at the bottom of the page, the audit shows unrestricted net assets as-\$235,810 for the water utility. This is a function of a number of things but mainly not fully funding depreciation. With the water bond there is a requirement to have a considerable amount of cash reserve on hand that is restricted which has forced our unrestricted assets into a negative position. It is important we take steps to increase water rates to ensure we have sufficient cash. The main reason we are low on cash is this year the Valentine water shares were approved by the State much quicker than we anticipated and we had to expend \$360,000 for the water shares a little sooner than we anticipated. This has also been accentuated by the slowdown in building and the associated impact fees.

“Given to the Council is the FY 2010 cash analysis of the Water Funds as shown below. The cash balance in the fund that we will have in the water fund at the end of this fiscal year compared to that which we are required to have held in reserve for the bond. It shows we only have about \$6,000 unrestricted cash. We need to increase the amount of unrestricted cash. I recommend we increase our water rate from \$14.85 a month to \$16.00 a month to help generate this cash. This will generate about \$25,000 additional revenue for the remaining 5 months of the

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year. We may want to look at increasing our rates about this amount each year to slowly get our water rates up to a point where we are covering our depreciation. If the Council concurs with this, I will plan on putting this on the agenda for the first meeting in January so we can get this implemented.”

FY 2010 CASH ANALYSIS

Estimated Restricted Cash Reserves end FY 2010

Capital Replacement Fund	\$88,785
Bond Account (to repay bonds)	\$371,944
Bond Reserve Account—2002 Bond	\$7,366
Bond Reserve Account –2008 Bond	\$82,456

BALANCE REQUIRED OF RESTRICTED CASH \$550,551

Estimated Cash Balance at end of FY 2010 \$556,636

Unrestricted Cash Available at Year End \$6,085

Following the information presented by the City Administrator, the Council concurred the item should be placed on the agenda for the next City Council Meeting to discuss the water rates.

CONSIDERATION TO DECLARE A 2004 FORD CROWN VICTORIA AS SURPLUS PROPERTY AND SET A MINIMUM BID PRICE OF \$2,900

The City Council reviewed the following from the City’s Chief of Police:

“I request that a 2004 Ford Crown Vic police vehicle with 82,000 miles be declared surplus property. I recommend we advertise the vehicle for sale with a minimum basic bid of \$2,900.

“We recently sold a similar vehicle with 97,000 miles for \$3,100 including equipment. We bid this vehicle with three options: 1. Basic bid and we remove the equipment; 2. Including the installed equipment except the radar unit; 3. The purchaser removes the equipment and returns it to us with an allowance of \$300.”

Following the review of the information from the City’s Police Chief, the floor was given to Council Member Hadlow who motioned the City Council approve the declaration of a 2004 Ford Crown Victoria as surplus property and set a minimum price bid of \$2,900. Council Member Earnshaw seconded the motion and all voted for the motion through a roll call vote.

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CONSIDERATION TO DECLARE A 1988 CHEVROLET PICKUP AS SURPLUS PROPERTY AND SET A MINIMUM BID OF \$750 AND ALSO DECLARE TWO PICKUP BEDS AS SURPLUS PROPERTY AND SET A MINIMUM BID OF \$300 EACH

The Council reviewed the following information from the Public Works Director concerning the surplus property of two pickup beds and one 1988 Chevrolet Pickup truck:

“I would like to declare the following Public Works equipment surplus so it can be sold since we are not using this equipment.”

2—8 foot long pick up beds	\$300.00 each
1—1988 Chevrolet 4 X 4 pickup VIN #1GCGK34K6JE 168705 Mileage 95,000 miles	\$750.00

Following the review of the information from the Public Works Director the floor was given to Council Member Hadlow who motioned the City Council declare the 1988 Chevrolet pickup truck as surplus property and set a minimum bid of \$750 and also the City Council declare two pickup beds as surplus property and set the minimum bid at \$300 each for the pickup beds. Council Member Earnshaw seconded the motion and all voted for the motion through a roll call vote.

UPDATE ON PARK SYSTEM WATERING UPGRADE

The Mayor and the City Council reviewed the following information from the Public Works Director concerning a new watering system for the City’s parks:

“The Parks Superintendent has spent some time in discussing the various computerized watering systems available. Given to the Council is the information that was supplied to the Parks Superintendent from a sprinkler supply company after review of each area controllers.

“Woods Cross City presently has 53 control clocks that water areas of the City. 15 of these areas use a battery timer because power was not run to these locations. Additional areas and control clocks will be added with new development accepted to the City.

“In the proposal the power supplied control clocks would be reduced from 38 to 26 and no change or interaction with battery operated clocks was considered.

“This concept utilizes cell phone connection between the clock and an offsite computer that interacts with weather stations throughout the area to adjust the watering needs at the specific locations.

“The quote supplied reflects two dollar amounts for phone & service plans.”

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The cost should be:

1 change over of control clocks	\$54,624.42
1 year service plan	\$6, 500.00
5 year service plan	\$30, 875.00
10 year service plan	\$58,500.00

Following the review of the information from the Public Works Director and the Parks Superintendent the Council then asked them to take additional time and quantify their analysis to what the cost savings would be to the City of Woods Cross. They concurred they would be glad to do this for the City Council and noted to the Council the biggest savings to the City is the controlling of the use of this scarce resource, water, and that by having this system in place the water usage would be reduced and save considerable water resources.

They said they would quantify the information and report back to the City Council.

**CONSIDERATION TO GRANT FINAL ACCEPTANCE OF THE LEGACY ESTATES
SUBDIVISION LOCATED AT 1870 SOUTH 1820 WEST**

The Public Works Director continued with the floor and advised the City Council the improvements in the Legacy Estates subdivision have been completed and have been found to be acceptable. He recommended to the City Council they accept the subdivision.

The floor was given to Council Member Earnshaw who motioned the City Council accept the subdivision, Legacy Estates located at 1870 South 1820 West in Woods Cross City. Council Member Evans seconded the motion and all voted for the motion through a roll call vote.

**CONSIDERATION TO AMEND THE LEASE WITH CHARLIE BROWN MOTORS
FOR THE OLD POST OFFICE BUILDING ON 500 SOUTH STREET**

The floor was given to the City Administrator who reviewed the following with the City Council:

“Given to the Council is a letter I received from Charles Brown from Charlie Brown Motors indicating due to the poor economic times and the reconstruction on 500 South, he is unable to pay his current rent of \$600.00 per month on the Post Office building. He is asking we lower his rent to \$100 per month during the reconstruction. In discussing it further it is clear it is the economic slowdown that is really creating this problem and I doubt we will be able to lease the building for much more than that during the construction time. If the Council is inclined to lower the rent amount to \$100, I recommend we make the \$100 per month effective until April 30th and re-discuss it with him at that time.”

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Following the review by the City Administrator, the floor was given to Council Member Hill who motioned the City Council authorize the Staff to rent the old Post Office building on 500 South for \$100 a month, reducing it from the current rent of \$600 a month for economic reasons and construction on 500 South and this rent would be applicable through April 30th, 2010 and then be reviewed. Council Member Earnshaw seconded the motion and all voted for the motion except Council Member Dayley who abstained. The motion carried by a vote of 4 to none.

CONSIDERATION TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH WEST BOUNTIFUL CITY IN REGARDS TO THE CREATION OF THE LEGACY GATEWAY COMMERCIAL DEVELOPMENT AREA

The floor was given to the City Administrator who advised the Council that there had been a change in circumstances concerning this item on the agenda and he requested it be tabled for a future City Council Meeting.

The floor was given to Council Member Earnshaw who motioned the City Council table this item for a future City Council meeting with Council Member Hill seconding the motion and all voted for the motion through a roll call vote.

CONSIDERATION TO ENTER INTO A LANDSCAPING MAINTENANCE AGREEMENT WITH UDOT FOR THE LANDSCAPING INSTALLED AS PART OF THE 500 SOUTH (SR-68) PROJECT

Continuing with the floor the City Administrator outlined the following for the City Council concerning the landscape maintenance agreement with UDOT:

“Given to the Council is a landscape maintenance agreement for 500 South (SR 68). As you are aware UDOT is in the process of reconstructing 500 South and as part of that project they are landscaping the median and park strip. Included as Exhibit 1 is a drawing of the proposed median and park strip landscaping. Typically, as UDOT puts in landscaping with their projects the cities become responsible for the maintenance of the landscaping area. For instance, all of the interstate interchanges that are landscaped are maintained by the cities through agreement. This agreement binds the City to maintain the landscape area in this project and creates future costs for the City.

“Our General Plan recommends 500 South becomes a landscaped boulevard and UDOT has helped us to meet our general plan goal for 500 South which is to redefine 500 South and make it more desirable for commercial development and also to help us enhance our western gateway at the Legacy Parkway interchange.

“I know currently our funding is very limited but I hope in the future as this area redevelops it will help bring the funding in to help pay the costs for this maintenance. We have worked with UDOT to put in low maintenance materials, and have minimized any grass that would need

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mowing. Because of the positive image this places upon the City I believe it is important we keep this corridor well maintained. I recommend approval of the agreement as drafted.”

Councilmember Evans noted some of the street trees within the City are diseased and dying. She recommended the 500 South trees be maintained so this does not reoccur.

Following the review by the City Administrator the floor was given to Council Member Dayley who motioned the City Council enter into a landscape maintenance agreement as presented with UDOT for the landscaping installed on part of the 500 South project. Council Member Hill seconded the motion and all voted for the motion except Council Member Hadlow who voted opposed. The motion carried by a vote of 4 to 1.

OPEN SESSION

The Mayor then opened the meeting to items from those present that they would like to bring before the City Council.

There were no items and the Mayor moved to the next item on the agenda.

REPORT FROM THE SOUTH DAVIS METRO FIRE AGENCY

The Mayor noted the South Davis Metro Fire Agency will not meet until next Monday and so he will report at the first City Council meeting in January.

REPORT FROM THE SOUTH DAVIS RECREATION DISTRICT

The Mayor noted the South Davis Recreation District will not meet until next Monday so there will be no report tonight and he will report at the first meeting in January.

REPORT FROM THE DAVIS MOSQUITO ABATEMENT DISTRICT

The floor was given to Council Member Evans who represents the City on the Board of Directors of the Davis Mosquito Abatement District. She noted at the last Mosquito Abatement District meeting they had their public hearing on their budget and there were no changes to the budget.

She also noted the district will be hiring a new helicopter pilot who will be helping to spray in Davis County for mosquitoes.

This concluded her report.

MAYOR'S REPORT

The Mayor noted he had nothing further to report to the City Council.

CITY ADMINISTRATOR'S REPORT

The City Administrator reported on the following:

1. Snow Plowing

“In reference to my e-mail that I sent out earlier this week, I have talked to the Public Works Director and he has not cut back on the snow plowing. This week has been a very difficult week as far as snow plowing due to the frequency of the storms and plus the cold has not allowed the salt to melt the snow as it does when it's warmer. I have given to the Council a copy of the Public Works activities since last week and they have made an attempt to clean the roads with the understanding it will take some time to get to the residential neighborhoods. The Public Works Director and I have had further discussions and we both agree that his employees will continue to plow and salt the roads as we have in the past unless instructed to otherwise.”

2. Council Visioning Session

“It was discussed in the last Council session that the Council have a visioning session sometime in January. I wholeheartedly agree with that recommendation and ask the Mayor and Council Members try to find a date in January where we can spend possibly a whole day in a visioning session to determine the future direction for the City”

The Council set the date of February 6th.

3. Fiscal Year 2010 Budget

“After the last Council meeting, I have gone back to the department heads and discussed further budget cuts to ensure we have sufficient funds to get us through the end of the fiscal year. Given to the Council is an exhibit showing the adjustments to the revenues and expenditures. I anticipate using \$100,000 of our fund balance to balance the budget. That leaves an additional \$200,000 in the fund balance as a cushion. I will be monitoring the budget on a monthly basis and if additional adjustments need to be made, I will discuss them with the Council. I firmly believe it's important to broaden our revenue base and will have a discussion on the municipal energy use tax and a timeline for adoption on the agenda for the January 5th meeting.”

RECESS CITY COUNCIL MEETING IN FAVOR OF A REDEVELOPMENT AGENCY MEETING

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At 8:55 P.M. Council Member Earnshaw motioned the City Council recess City Council meeting in favor of holding a Redevelopment Agency meeting. Council Member Dayley seconded the motion and all voted for the motion through a roll call vote.

RECONVENE CITY COUNCIL MEETING AND HOLD A CLOSED CITY COUNCIL MEETING

At 9:30 P.M. Council Member Hill motioned the City Council reconvene the recessed City Council meeting and go into a closed City Council meeting to discuss the sale of real property. Council Member Earnshaw seconded the motion and all voted for the motion through a roll call vote.

SALE OF REAL PROPERTY TO WEBER BASIN WATER SUBCONSERVANCY WATER DISTRICT

At 9:40 P.M. Council Member Evans motioned the City Council come into open session with Council Member Earnshaw seconding the motion and all voting for the motion.

The floor was then given to Council Member Hill who then motioned the City Council agree to sell to Weber Basin Water Subconservancy District a parcel of property located in Mills Park for the purpose of drilling a water well that will be used by Weber Basin Water. The amount the property will be sold for is to be \$26,000.

Council Member Evans seconded the motion and all voted for the motion except Council Members Hadlow and Earnshaw who voted opposed. The motion carried by a vote of 3 to 2.

ADJOURNMENT

At 9:45 P.M. Council Member Evans motioned to adjourn the City Council Meeting. Council Member Dayley seconded the motion and all voted for the motion through a roll call vote.

Kent Parry, Mayor

Alan T. Low, City Recorder